GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA

STARRED QUESTION NO:5
ANSWERED ON:15.07.2002
CONSTITUTION OF COMMITTEE TO DETERMINE PRICES OF AGRO PRODUCTS
RATNA SINGH

Will the Minister of AGRICULTURE be pleased to state:

(a) whether the Government have constituted any board/committee to determine the prices of various agro-products during the last three years;

(b) if so, whether representatives of the farmers have also been included in the said board/committee;

(c) if so, the details in this regard; and

(d) the criteria laid down for determining the prices of the agro-products?

Answer

MINISTER OF AGRICULTURE (SHRI AJIT SINGH)

(a) to (d): A statement is laid on the Table of the House.

STATEMENT REFFERED TO IN REPLY TO PARTS (a) TO (d) OF LOK SABHA STARRED QUESTION NO. 5 DUE FOR REPLY ON 15TH JULY, 2002.

(a): There is already in existence the Commission for Agricultural Costs & Prices(CACP) to advice the Government on a continuing basis on agricultural price policy. The CACP, among other things, recommends the Minimum Support Prices (MSPs) of 25 major agricultural commodities.

(b)&(c): Eminent persons having understanding of agricultural production and consumer problems, not necessarily representing any particular group, are appointed to the three posts of Members (Non-Official) in the CACP on contract basis.

(d): The Government decides on the minimum support price for various agricultural commodities taking into account the recommendations of the CACP, the views of State Governments and concerned Central Ministries as well as otherrelevant factors, which in the opinion of the Government, are important for fixation of Minimum Support Prices (MSPs).

While recommending MSPs, the CACP keeps in view
(i) the need to provide incentive to the producer for adopting improved technology and for developing a production pattern broadly in the light of national requirements;
(ii) the need to ensure rational utilization of land, water and other production resources;
(iii) the likely effect of the price policy on the rest of the economy, particularly on the cost of living, level of wages, industrial cost structure, etc. and
(iv) terms of trade between agricultural sector and non-agricultural sector.